

SEPTEMBER 17, 1979

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON SEPTEMBER 17, 1979, AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

MINERAL LEASE APPLICATIONS

OIL, GAS AND HYDROCARBON LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Mineral Lease Appl. No. 37224	T42S, R4E, SLM	Kane
Richard L. Peterson	Section 36: All	
P.O. Box 8	Section 32: All	1280.00 acres
Douglas, WY 82633		

METALLIFEROUS MINERALS LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Metalliferous Minerals lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Mineral Lease Appl. No. 37249	T10S, R12W, SLM	Tooele
Cosetta Castagna	Section 16: NE $\frac{1}{4}$	
P.O. Box 39		160.00 acres
Vernon, UT 84080		

Mineral Lease Appl. No. 37251	T35S, R2E, SLM	Garfield
W.M. Bateman	Section 10: NE $\frac{1}{4}$ SE $\frac{1}{4}$	
11785 Carmel Drive	Section 11: NW $\frac{1}{4}$ SW $\frac{1}{4}$	
Lakewood, CO 80215	Section 16: NW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$	
	Section 32: All	
	Section 36: All	1874.35 acres

REFUND: \$5.00

Mineral Lease Appl. No. 37252	T34S, R2E, SLM	Garfield
W.M. Bateman	Section 32: All	
11785 Carmel Drive		640.00 acres
Lakewood, CO 80215		

METALLIFEROUS MINERAL LEASE APPLICATIONS - REJECTED

Upon recommendation of Mr. Blake, the Director rejected the Metalliferous Minerals lease application listed below and ordered the refund of the advance rental to the applicant. The filing fee is forfeited to the State.

Mineral Lease Appl. No. 37250	T29S, R7E, SLM	Wayne
Christian F. Murer	Section 2: All	
1645 Court Place #201		660.80 acres
Denver, CO 80202		

Lands within Capital Reef Nat'l Park

REFUND OF \$656.00 advance rental

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SAND & GRAVEL MINERAL LEASE APPLICATION - REJECTED *JB*

Upon recommendation of Mr. Blake, the Director rejected the Sand and Gravel lease application listed below and ordered the refund of the advance rental to the applicant. The filing fee is forfeited to the State.

Mineral Lease Appl. No. 37248	T4S, R20E, SLM	Uintah
Inter-Mountain Concrete Co.	Section 34: SE $\frac{1}{4}$ NW $\frac{1}{4}$	
P.O. Box 639		
Vernal, UT 84078		40.00 acres

REJECTED because of conflict with surface values.
REFUND of \$40.00 advance rental

MINERAL LEASE ASSIGNMENTS *DJP*TOTAL ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Superior Oil Company, 800 Lincoln Tower Bldg., Denver, CO 80295 by Larry E. Clark. No override.

LEASE OWNERSHIP: Larry E. Clark

ML 34392....T27S, R3W, Sec 16: E $\frac{1}{2}$, Sec 21: SW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec 29: NE $\frac{1}{4}$ NW $\frac{1}{4}$
Sec 32: NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
680.00 acres Piute

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Donald J. Egan, 600 So. Cherry St., Suite 1002, Denver, CO 80222 by Jack J. Grynberg, who reserves 5% overriding royalty. The State assumes no responsibility in collecting overriding royalty.

LEASE OWNERSHIP: Jack J. Grynberg

ML 28745....T2N, R13E, Sec 4: W $\frac{1}{2}$ SW $\frac{1}{4}$: Sec 9: W $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
240.00 acres Summit
ML 28935....T26S, R22E, Sec 21: Tracts D,E,F, Lots 23,30,31,32,34,35,41,42,
46,47,49,52,53,59,60,62,64,65,67,68,69,70,71,72,73,74,75,76,
77,79,80,82,83,84,85,86,87,88,89,90 thru 108 Grand
ML 29289....T25S, R22E, Sec 36: A11 640.00 acres Grand

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to General American Oil Company of Texas, Suite 800, Anaconda Tower, 555 - 17th Street, Denver, CO 80202 by Mike Frizzell. No override.

LEASE OWNERSHIP: Mike Frizzell

ML 36752....T35S, R2E, SLM, Sec 2: Lots 1,2, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,
Sec 11: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ 241.18 acres Garfield
ML 36753....T34S, R2E, Sec 36: E $\frac{1}{2}$ 320.00 acres Garfield

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Utah Gas and Oil Corp., 1515 South 1100 East, Salt Lake City, Utah 84105 by Delila A. Cook, who reserves 2 $\frac{1}{2}$ % overriding royalty, and subject to 2 $\frac{1}{2}$ % previously reserved overriding royalty. The State assumes no responsibility in collecting overriding royalty.

LEASE OWNERSHIP: Delila A. Cook

ML 23174....T20S, R24E, Sec 2: SW $\frac{1}{4}$ NE $\frac{1}{4}$ 40.00 acres Grand

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INTEREST ASSIGNMENTS OIL, GAS - AND HYDROCARBON LEASESDJP_{we}

Upon recommendation of Mr. Prince, the Director approved the assignment of all rights from the surface to the stratigraphic equivalent of the depth drilled in the 2-36G Well (7050 feet) in the Oil, Gas and Hydrocarbon leases listed below to Belco Petroleum Corporation, 445 Union Boulevard, Suite 209, Lakewood, CO 80228 by Gulf Oil Corporation, who reserves 1/16 of 8/8th overriding royalty, and subject to 1% previously reserved overriding royalty. The State assumes no responsibility in collecting or reserving overriding royalty.

LEASE OWNERSHIP: Gulf Oil Corporation.

ML 22042....T9S, R20E, Sec 36:	S $\frac{1}{2}$	320.00 acres	Utah
ML 22261....T9S, R21E, Sec 32:	Lots 1,2,3,4, N $\frac{1}{2}$ S $\frac{1}{2}$	348.80 acres	Utah

Upon recommendation of Mr. Prince, the Director approved the assignment of 16.667% interest in the Oil, Gas and Hydrocarbon lease listed below to Frank B. Adams, 716 Wilson Building, Corpus Christi, TX 78476 by Willard Pease Oil & Gas Co., who reserves 2 $\frac{1}{2}$ % overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Willard Pease Oil & Gas Co. 16.667%; Frank B. Adams 83.333%

ML 27970....T20S, R23E, Sec 2: All	650.72 acres	Grand
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Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in the lease listed below to Dean W. Rowell, P.O. Box 11206, Salt Lake City, Utah 84147 by Raymond Chorney, who reserves 2 $\frac{1}{2}$ % overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Jean Oakason 50%; Raymond Chorney 50%

ML 28229....T11S, R9E, Sec 16: All	640.00 acre	Utah
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Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in operating rights from the surface to a depth of 8992 feet or the stratigraphic equivalent as drilled in the Federal 14x-3 well in SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec 3, T22N, R120W, Lincoln County, Wyo. in part of the leased lands in the Oil, Gas and Hydrocarbon lease listed below to Houston Oil and Minerals Corporation, 504 United Bank Center Building, 1700 Broadway, Denver, CO 80202 by The Louisiana Land & Exploration Co. No override.

LEASE OWNERSHIP: The Louisiana Land & Exploration Co.

ML 30357....T13N, R7E, Sec 12: N $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$; Sec 13: S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$		
Sec 24: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 36: All	1560.00 acres	Utah

ML 30358....T13N, R8E, Sec 5: All; Sec 6: Lots 4,5,6,7, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;		Utah
Sec 7: Lots 1,2,3, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;		
Sec 8: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$		
Sec 18: Lots 2,3,4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, 2526.01	acres	

ML 30362....T13N, R8E, Sec 8: SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec 31: E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$,		
Sec 32: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$,	720.00 acres	Utah

Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in the Oil, Gas and Hydrocarbon lease listed below to Marathon Oil Company, P.O. Box 120, Casper, WY 82602 by Dean W. Rowell. No override, but subject to 2 $\frac{1}{2}$ % previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Dean W. Rowell 50%; Jean Oakason 50%

ML 28229....T11S, R9E, Sec 16: All	640.00 acres	Utah
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INTEREST ASSIGNMENT - OIL, GAS AND HYDROCARBON LEASE*DYPubl*

Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in the Oil, Gas and Hydrocarbon lease listed below to Seabrook Corporation, 401 Lincoln Tower Bldg., 1860 Lincoln St., Denver, CO 80295 by Hawthorn Oil Company, who reserves 4% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Hawthorn Oil Company

ML 31262....T31S, R24E, Sec 18: Lots 3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$: Sec 19: Lots 1,2,3,
Sec 31: Lots 1,2,3 502.18 acres San Juan

OVERRIDING ROYALTY ASSIGNMENT - OIL, GAS AND HYDROCARBON LEASE*DYPubl*

Upon recommendation of Mr. Prince, the Director approved the assignment of 4% overriding royalty to Vula O'Connell, P.O. Box 2003, Casper, WY 82602 by Hawthorn Oil Company. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Hawthorn Oil, Co.

.....ML 31262

TOTAL ASSIGNMENTS - METALLIFEROUS MINERALS LEASES*DYPubl*

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Cameo Minerals, Inc., 1336 So. 11th East, Salt Lake City, Utah by El Portal Mining Company. No override, but subject to 1% previous override, which is eliminated by this assignment.

LEASE OWNERSHIP: El Portal Mining Company

ML 32002....T31S, R21E, Sec 24: NW $\frac{1}{4}$ SW $\frac{1}{4}$: Sec 26: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$,
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Sec 35: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$:
T32S, R21E, Sec 2: A11 960.88 acres San Juan
ML 32022....T32S, R22E, Sec 16: A11; Sec 21: SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$
720.00 acres San Juan

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals leases listed below to Pioneer Uranium, Inc., P.O. Box 2065, Grand Junction, CO 81501 by Raymond Chorney, who reserves 3% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Raymond Chorney

ML 32828....T22S, R14E, Sec 16: A11; T22S, R15E, Sec 32: A11
1280.00 acres Emery
ML 33539....T23S, R15E, Sec 16: A11 640.00 acres Emery
ML 34941....T21S, R14E, Sec 16: A11 640.00 acres Emery

PARTIAL ASSIGNMENT - METALLIFEROUS MINERALS LEASES*DYPubl*

Upon recommendation of Mr. Prince, the Director approved the partial assignment of the Metalliferous Minerals lease listed below to Jack M. Ahearn, Box 442, Salt Lake City, Utah 84110 by Robert B. Mee. No override.

LEASE OWNERSHIP: Robert B. Mee

ML 36087....Assigned T14S, R10W, Sec 36: SE $\frac{1}{4}$:
T15S, R10W, Sec 2: Lots 3,4, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$
480.23 acres Millard

A new lease to be issued on the assigned lands and to be numbered
ML 36087-A.

.....Lands remaining in ML 36087: T14S, R10W, Sec 36: NW $\frac{1}{4}$
T15S, R10W, Sec 2: Lots 1,2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
496.33 acres Millard

INTEREST ASSIGNMENTS - METALLIFEROUS MINERALS LEASES

DDP

Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in the Metalliferous Minerals lease listed below to Minatome Corporation, 825 Third Ave., New York, N. Y. 10022 by Mineral Energy. Inc. No override.

LEASE OWNERSHIP: Mineral Energy, Inc. 50%
DeMar Perkins 50%

ML 31106....T37S, R16E, Sec 36: NW $\frac{1}{4}$	160.00 acres	San Juan
ML 31933....T37S, R16E, Sec 36: E $\frac{1}{2}$	320.00 acres	San Juan

APPROVAL OF THE MOCCASIN TRAIL UNIT

Pacific Transmission Supply Company, operator of the Moccasin Trail Unit, has furnished this office with evidence that this unit was approved by the United States Geological Survey effective August 29, 1979.

The records of the following leases should be noted to show the approval of this unit.

- ML 26786 Pacific Transmission Supply Company, et al.
- ML 26849 Pacific Transmission Supply Company, et al.
- ML 26860 Pacific Transmission Supply Company, et al.
- ML 26924 Pacific Transmission Supply Company, et al.
- ML 27435 CIG Exploration Inc.
- ML 29749 Gulf Oil Corporation & The Dow Chemical Company

Upon recommendation of Mr. Prince, the Director accepted this Unit.

RIDER TO BOND NO. U-77-94-42

DDP

On July 11, 1975, Michigan Wisconsin Pipe Line Company submitted to this office a State of Utah Bond of Lessee in the amount of \$25,000 to cover their operations on State lands. This bond had United Pacific Insurance Company, bond No. U-77-94-42, as surety.

The bonding company has now submitted to this office a rider adding American Natural Gas Producing Company as an additional principal on this bond.

This rider is in order, and upon recommendation of Mr. Prince, the Director approved the rider adding American Natural Gas Producing Company as a principal on United Pacific Insurance Company bond No. U-77-94-42.

RIGHT OF WAY - APPLICATIONS
RIGHT OF ENTRY - APPROVED

KWH

R/W No. 1813 Conoco, Inc., P.O. Box 241, Roy, Utah 84067, has requested a permit to conduct a vibroseis seismic survey across State land in Cache County:

T10N, R4E, Sec 16; T11N, R4E, Sec 36

The fee for this survey is \$50.00 per section for two sections, plus a \$20.00 application fee, total of \$120.00. School fund. Upon recommendation of Mr. Higgins, the Director approved this Right of Entry with a completion date of December 31, 1979

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GRAZING LEASE APPLICATION - APPROVED

KMK

Upon recommendation of Mr. Higgins, the Director approved the grazing lease listed below

GLA 21422 - Harmony Land & Livestock at 7¢ per acre per annum for 10 years beginning January 1, 1979.

RIGHT OF WAY APPLICATIONS

RIGHT OF ENTRY - APPROVED

RBW

R/W No. 1812 ARMA Geophysical, 201 North Wolcott, Suite 130, Casper, WY 82601 has requested a permit to conduct a shothole method seismic survey across the following described State lands in San Juan

County:

T36S, R23E, Secs 16 & 32; T36S, R24E, Secs 32 & 36; T36S, R25E, Sec 32
T37S, R23E, Secs 2 & 16; T37S, R24E, Secs 2 & 16; T37S, R25E, Sec 16
T38S, R24E, Sec 2; T38S, R26E, Sec 16

There will be shot holes 180 feet deep averaging 12 holes per mile. The charge will be \$20.00 per shothole and a \$20.00 application fee, a total of \$3,380.00. School fund. Upon recommendation of Mr. Wilcox, the Director approved this Right of Entry with a completion date of December 31, 1979..

RIGHT OF ENTRY - APPROVED

RBW

R/W No. 1815 Mountain Geophysical Inc., Suite 202, Security Life Building 1616 Glenarm Street, Denver, CO 80202 has requested a permit to conduct a geophysical survey across State land in Emery County:

T22S, R7E, Sec 32; T23S, R6E, Sec 2; T23S, R7E, Sec 16

The survey will consist of 10 shotholes @ \$20.00 per hole, and 1.6 miles @ \$100.00 per mile, plus \$20.00 application fee, total of \$380.00. School fund. Upon recommendation of Mr. Wilcox, the Director approved this Right of Entry with a completion date of December 31, 1979.

TIMBER APPLICATIONS

Ram

T/A No. 546 Wade Cook, Torrey, Utah 84775

99 cords of dead Pinyon Pine Total cost: \$297.00

Township 30 South, Range 6 East, SLM
Section 16 Wayne County

Upon recommendation of Mr. Miles, the Director approved this Timber applications, subject to the terms and conditions to be included in the contract.

REQUEST FOR REFUND

Mrs. Jean Oakason has requested in behalf of the John Oakason Estate a refund of duplicate payment made on ML 28908 for the lease rental year 1978 in the amount of \$40.00

MINERAL LEASES TO BE CANCELLED

Upon recommendation of Mr. Miller, the Director approved the cancellation of the following mineral leases due to non-payment of 1979 rental and offering the lands for lease by Simultaneous Bid. Certified notices were mailed.

<u>NAME</u>	<u>ACCOUNT NO.</u>	<u>TYPE OF LEASE</u>
James P. Cowler	ML 32025	Met.
Charles C. McMurray	ML 33363	Met.
Charles C. McMurray	ML 33364	Met.
Clark R. Powell	ML 34378	Met.
Chevron USA, Inc.	ML 34450	Met.
Chevron USA, Inc.	ML 34452	Met.
Chevron USA, Inc	ML 34453	Met.
Chevron USA, Inc.	ML 34455	Met.
Chevron USA, Inc.	ML 34456	Met.

INTEREST RATES

<u>INTEREST RATES</u>	<u>CURRENT WEEK</u>	<u>YR. AGO</u>
Prime Rate	13.00%	8.75%


WILLIAM K. DINEHART, DIRECTOR
DIVISION OF STATE LANDS


VERNA A. PETERSEN, RECORDS SUPERVISOR